capital fund promoted together with the World Bank, the International Finance Corporation (IFC) and the Unit Trust of India (UTI); and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) The Industrial Finance Corporation of India Ltd. have reported that they propose to float a second Venture Capital Fund as a scheme of UTI in participation with foreign lending corporations. The quantum of the Fund, the participating institutions and other details have not yet been finalised.

**Externa debt of India**

472. SHRI SUKOMAL SEN:
SHRI JIBON BEHARI ROY:

Will the Minister of FINANCE be pleased to state that what was the total amount of external debt as at the end of March, 1993 and the steps Government propose to take to reduce it?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) As per the Status Report on India's external debt, the total external debt including NRI deposit, defence debt and short term debt is estimated to be U.S. $ 85.4 billion as at the end of March, 1993.

The Government has taken a number of steps to bring about improvements in revenue receipts, to eliminate inessential and low priority expenditure, to boost exports, to increase invisible earnings, to ensure efficient import substitution, to increase non-debt creating inflow of foreign funds, and to reduce dependence on borrowed funds for financing expenditure. These steps would improve, in long term, the economic condition of the country and revitalise our growth process, including our export earning capacity, so as to enhance our capacity to generate sufficient funds needed for the economy to repay the loans and thus reduce dependence on borrowed funds.

**U.S. Dollars belonging to Indians slashed in foreign Banks**

473. SHRI KRISHAN LAL SHARMA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that thousands of U.S. dollars belonging to Indians are at present stashed in foreign banks;

(b) whether Government had explored the possibility of tapping this source before taking loans from I.M.F. and other connected agencies;

(c) if so, the results of such exploration and what were the handicaps coming in the way in this regard;

(d) whether any efforts were made to remove them; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (e) There is a perception in some quarters that many Indian nationals and non-resident Indians have clandestine holdings of foreign exchange abroad. In cases where specific intelligence/evidence is received, action is taken by the Government under the Foreign Exchange Regulation Act, 1973. With a view to attracting inflow of foreign exchange held abroad by resident Indians in contravention of existing regulations, Government had in the year 1991 launched the Remittances in Foreign Exchange (Immunities) Scheme, 1991. According to a report of the Reserve Bank

dated 9.3.1992, foreign exchange equivalent to Rs. 2172.62 crores was collected under this Scheme.

**Stick State Fnance orporation**

474. DR NAUNIHAL SINGH: Will the Minister of FINANCE be pleased to state:

(a) how many State Finance Corporations (SFCs) are considered sick by Government, the details thereof;

(b) what are the valid reasons for their sickness; and

(c) whether Government have taken any steps to remove the sickness of these SFCs and the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) There is no classification of SFCs between sick and healthy corporation. However, there are some corporations which are showing signs of weakness. Based on the health code categorisation of SFCs and their capital adequacy ratio for the year ended March 31, 1992, 8 SFCs have been classified by the Industrial Development Bank of India (IDBI) into Category 'C' where the capital adequacy was less than 4 percent.

(b) The financial health of some of of the SFCs has deteriorated over the years due to various factors including excessive dependence on external funds, rising trend of overdues, dwindling margine on account of rising cost of funds with lower recoveries, erosion of capital adequacy deficiencies in project appraisal and lack of initiative in taking up more profitable new areas of business.

(c) A meeting of the State Governments and Chief Executives of SFCs and SIDCs was convened on August 18, 1993 under the Chairmanship of the Finance Secretary. The Government has also set up a Committee under the chairmanship of Chairman & Managing Director of IDBI to undertake a review of the SFCs Act, 1951.

**Defaulters of Banks Loans**

475. DR. NAUNIHAL SINGH: Will the Minister of FINANCE be pleased to state:

(a) what are the names of ten top loan defaulters of each bank giving the amount that is outstanding against each one of them;

(b) what efforts Government have made to recover the loan;

(c) what are the difficulties in res recovering the loans from the defaulters; and

(d) whether Government contemplate to issue any guide-lines to the financial institutions to ward off such a defaulting situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (d) In accordance with the statutes governing the public sector banks as also in terms of the practices and usages customary amongst bankers, the banks do not divulge information relating to or to the affairs of their constituents except in circumstances in which it is, in accordance with the law or practice and usage customary among bankers, necessary or appropriate for the banks to divulge such information. However, the total amount of overdues of public sector banks as at the end of September 1992 (latest available) was Rs. 21022 crores. Reserve Bank of India has issued various guidelines to the banks to minimise the amount of overdues and also to improve their recovery performance in respect of their advances to various sectors. Some of the important guidelines are as follow: